

Fraud

In [law](#), **fraud** is [intentional deception](#) to secure unfair or unlawful gain, or to deprive a victim of a legal right. Fraud can violate [civil law](#) (i.e., a fraud victim may sue the fraud perpetrator to avoid the fraud or recover monetary compensation), a [criminal law](#) (i.e., a fraud perpetrator may be prosecuted and imprisoned by governmental authorities), or it may cause no loss of money, property or legal right but still be an element of another civil or criminal wrong.^[1] The purpose of fraud may be monetary gain or other benefits, for example by obtaining a passport, travel document, or driver's license, or [mortgage fraud](#), where the perpetrator may attempt to qualify for a mortgage by way of false statements.^[2]

A [hoax](#) is a distinct concept that involves deliberate deception without the intention of gain or of materially damaging or depriving a victim.

A **hoax** is a falsehood deliberately fabricated to masquerade as the truth. It is distinguishable from errors in observation or judgment,^[1] [rumors](#), [urban legends](#), [pseudosciences](#), and [April Fools' Day](#) events that are passed along in [good faith](#) by believers or as jokes.^[2]

Fraud takes place when a person deliberately practices deception in order to gain something unlawfully or unfairly. In most states, the act of fraud can be classified as either a civil or a criminal wrong. **WHILE FRAUD IS MOST COMMONLY COMMITTED TO OBTAIN BENEFITS OF VALUE, IT SOMETIMES OCCURS SOLELY FOR THE PURPOSE OF DECEIVING ANOTHER PERSON OR ENTITY.** For instance, if a person makes false statements, it may be considered fraud, depending on the circumstances. To explore this concept, consider the following fraud definition.

Definition of Fraud

Noun

1. Wrongful deception with the intent to gain personally or financially
2. Intentional deception in order to persuade another person to part with something of value
3. A person who pretends to be something or someone he is not

THIS TYPE IS MOST APPLICABLE TO THE SECTION 45 ON PAGE 37 OF CH: 32:01 THE NIB ACT.

FRAUDULENT CONCEALMENT MEANS THE DELIBERATE HIDING OR SUPPRESSION, WITH AN INTENTION TO DECEIVE OR DEFRAUD OTHER PERSONS OF A MATERIAL FACT OR CIRCUMSTANCE BY A PERSON WHICH S/HE IS LEGALLY BOUND TO DISCLOSE.